

Message Text

UNCLASSIFIED

PAGE 01 SAO PA 01486 201332Z

ACTION ARA-14

INFO OCT-01 ISO-00 AGRE-00 CIAE-00 COME-00 EB-08
INR-10 LAB-04 NSAE-00 SP-02 STR-07 TRSE-00 FRB-01
OMB-01 /048 W
-----061766 202210Z /41

R 191840Z MAY 78
FM AMCONSUL SAO PAULO
TO SECSTATE WASHDC 8524
INFO AMEMBASSY BRASILIA
AMCONSUL RIO DE JANEIRO

UNCLAS SAO PAULO 1486

E.O.11652: N/A
TAGS: EAGR, ETRD
SUBJECT: ALCOHOL AND COTTON - INQUIRY RE TRADING

REF: STATE 124181

1. THERE HAS BEEN FUTURES TRADING IN BRAZIL FOR SOME YEARS. TRADING IS REGULATED BY THE NATIONAL SYSTEM FOR COMPENSATION OF FUTURE CONTRACTS (SISTEMA NACIONAL DE COMPENSACAO DE NEGOCIOS A TERMO) AND IS RESTRICTED TO THE SAO PAULO COMMODITY EXCHANGE (BOLSA DE MERCADORIAS DE SAO PAULO). UNTIL RECENTLY, FUTURES TRADING HAS BEEN LIMITED TO COTTON. BEGINNING THIS YEAR ON APRIL 4, TRADING IN SOYBEAN AND COFFEE FUTURES HAVE ALSO BEEN AUTHORIZED. FUTURES TRADING IN COTTON WAS NOT SUSPENDED BUT ACTIVITY HAS BEEN LIGHT BUT IS EXPECTED TO INCREASE OVER TIME.

2. TRADING MAY ALSO BE EXPANDED TO OTHER COMMODITIES, BEGINNING WITH CORN AND RICE. FUTURES TRADING IN INDUSTRIAL ALCOHOL, HOWEVER, IS NOT LIKELY BECAUSE PRICE FOR THIS COMMODITY IS GOVERNMENT CONTROLLED AND MOST OF THE INCREASE IN PRODUCTION WOULD BE ABSORBED BY PETROBRAS (THE GOVERNMENT PETROLEUM MONOPOLY) FOR ITS GASOLINE ADDITIVE PROGRAM.

UNCLASSIFIED

PAGE 02 SAO PA 01486 201332Z

3. ADDITIONAL INFORMATION BEING POUCHED.
CHAPIN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COTTON, ALCOHOLS, TRADE CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978SAOPA01486
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780213-0408
Format: TEL
From: SAO PAULO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780539/aaaabhaj.tel
Line Count: 58
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 7780179a-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 STATE 124181
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2633876
Secure: OPEN
Status: NATIVE
Subject: ALCOHOL AND COTTON - INQUIRY RE TRADING
TAGS: EAGR, ETRD, BR
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/7780179a-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014